

JUN 27 2008



FEDERAL ELECTION COMMISSION
Washington, DC 20463

MEMORANDUM

TO: The Commission

FROM: Thomasenia P. Duncan
General Counsel

BY: Ann Marie Terzaken
Associate General Counsel for Enforcement

Julie McConnell *JMcConnell*
Assistant General Counsel

Elena Paoli *EPaoli*
Attorney

SUBJECT: MUR 5444 (Marcus T. Belk et al.)
Recommendation to close file

I. INTRODUCTION

We recommend that the Commission close the file in MUR 5444. On February 13, 2008, Respondent Marcus T. Belk pled guilty to federal criminal charges in connection with his acceptance of a misdirected \$15,000 contribution. The Plea Agreement and Commission-approved Addendum and Conciliation of Civil Violations ("Addendum") resolve all criminal and civil charges against him. See Attachment 1. On June 20, 2008, Belk received a sentence of 36 months probation and an order to pay restitution and perform 100 hours of community service.

II. BACKGROUND

In 2004, Ford Motor Co. PAC filed a complaint with the Commission and the Department of Justice regarding a \$15,000 contribution it intended to give to the Democratic Congressional Campaign Committee ("DCCC"). Instead, the check was made out to the NDCC and cashed by its Treasurer, Marcus Belk. Ford PAC alleged that Belk fraudulently misrepresented himself as acting on behalf of the DCCC for the purpose of soliciting contributions. At the time, the DCCC did not know how the check came to be written to the NDCC, and given the circumstances, it appeared to us that Belk might have solicited Ford PAC under false pretenses. Thus, in December 2004, the Commission found reason to believe that

1 Belk violated the Act by fraudulently soliciting funds, commingling personal funds with
2 committee funds, accepting an excessive contribution, and failing to register and report as a
3 political committee, and it authorized an investigation.
4

5 Information obtained during the investigation revealed that in February 2004, a Ford PAC
6 employee tasked with preparing the \$15,000 contribution check mistakenly selected the NDCC,
7 rather than the DCCC, from a software database listing the names of registered political
8 committees. Even though the NDCC was at this point terminated, its name was in the database,
9 and Ford PAC sent the \$15,000 check to Belk. Shortly after receiving the check from Ford PAC,
10 Belk opened a new business checking account in the name of "Marcus T. Belk d/b/a NDCC" and
11 a new personal checking account in his name. Although Belk deposited the \$15,000 check from
12 Ford PAC into the business checking account, he transferred virtually all of the funds into his
13 personal checking account and used them to make cash withdrawals, purchase consumer goods,
14 make utility and car payments, pay for rental cars and airline tickets, and make various other
15 purchases in addition to writing a handful of checks to unknown payees.
16

17 Based on this information, on September 26, 2006, the Commission made additional
18 reason to believe findings, namely that the NDCC and Belk, in his personal and official capacity,
19 knowingly and willfully violated (1) 2 U.S.C. § 432(b)(3) by commingling committee funds with
20 personal funds; (2) 2 U.S.C. §§ 433 and 434 by operating as a political committee without
21 registering and reporting with the Commission; (3) 2 U.S.C. § 441a(a)(1)(C) by accepting an
22 excessive contribution in the amount of \$15,000; and (4) 2 U.S.C. § 441h(a) by using the NDCC
23 to fraudulently misrepresent Belk as acting for or on behalf of the DCCC on a matter that was
24 damaging to the political party because it resulted in the misdirection of a \$15,000 contribution.
25 The Commission also expanded the matter to include Belk's Senate Committee, Belk US Senate
26 2004 ("Belk 2004"), based on an unusual number of personal and unitemized contributions in the
27 committee's reports, finding reason to believe that Belk 2004 and Belk, in his personal and
28 official capacity as Treasurer, violated U.S.C. § 432(c) and 11 C.F.R. § 102.9(a) by failing to
29 accurately account for and report contributions.¹ The Commission also authorized an audit of
30 Belk 2004 pursuant to 2 U.S.C. § 437g(a)(2).²

¹ Belk was a Democratic primary candidate in the 2004 U.S. Senate race in South Carolina but withdrew from the race on March 29, 2004, one day before the filing deadline for Congressional primary ballot access. See *Senate 2004 South Carolina*, HOTLINE, Mar. 30, 2004. Belk 2004 reported contributions totaling \$461,565, including including \$225,000 from the candidate and \$236,565 in unitemized contributions, but later disclosed that the Committee refunded all but \$30,000 of these contributions. During the investigation, the bank identified in Belk 2004's Statement of Organization stated that it had no accounts listed in the name of Belk or any of his committees, and other facts suggested that Belk fabricated virtually all of the contributions to Belk 2004. See MUR 5444/LRA 717 (Belk), Informational Memo, dated Sept. 11, 2007.

² LRA 717, the Commission-ordered Audit connected to MUR 5444, was closed last year. See Memorandum to OGC, Oct. 17, 2007.

III. PLEA AGREEMENT AND FEC ADDENDUM

In September 2007, we informed the Commission that the Department of Justice, which was conducting a parallel investigation, was close to completing plea negotiations with Belk on a misdemeanor violation stemming from his acceptance of the \$15,000 contribution to NDCC. The Commission authorized us to pursue a global settlement with Belk that would resolve all civil and criminal charges against him. On December 11, 2007, the Commission approved language to be incorporated in the Department of Justice's plea agreement with Belk as part of a global settlement. See MUR 5444/LRA 717 (Belk), General Counsel's Report #3 at Attachment A.

On February 13, 2008, Belk pled guilty to a misdemeanor violation of 2 U.S.C. §§ 433 and 434 based on his failure to register and report as a political committee despite having accepted the \$15,000 contribution to NDCC. The court accepted the Commission's Addendum as an attachment to the plea agreement and criminal information. See Attachment A. In addition to admissions of knowing and willful violations of 2 U.S.C. §§ 433 and 434 for failing to register as a political committee and file reports with the Commission, the Addendum contains admissions that the Commission could prove by a preponderance of the evidence that Belk knowingly and willfully accepted an excessive contribution, commingled funds, used the NDCC to fraudulently misrepresent himself as acting for or on behalf of a political party on a matter that was damaging to the party, and failed to accurately account for and report contributions made to Belk 2004. See *id.*, ¶¶ 3-4. In addition, the Addendum contains cease and desist provisions and prohibits Belk from working or volunteering in federal political campaigns in a capacity involving a committee's finances or disclosure reports for 10 years.

On June 20, 2008, the court sentenced Belk to 36 months probation and ordered him to pay restitution and perform 100 hours of community service. Accordingly, we now recommend that the Commission close the file in MUR 5444.

IV. RECOMMENDATIONS

1. Close the file; and
2. Approve the appropriate letters.

Attachment: Belk Plea Agreement and FEC Addendum

UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA

RECEIVED

JAN 14 2008

DEWEY M. HARRIS, CLERK
U.S. DISTRICT COURT

UNITED STATES OF AMERICA,

Plaintiff,

v.

MARCUS T. BELK,

Defendant.

mag. NO. 08-0154

2 U.S.C. § 434

2 U.S.C. § 437g(d)

INFORMATION

The United States charges:

Background

At all times material to this information:

The Federal Election Commission and Regulation of Federal Elections

1. The Federal Election Commission (the Commission) was an independent agency of the United States Government charged with the administration and civil enforcement of the Federal Election Campaign Act (the Act), and, in particular, its public disclosure features described below.

2 U.S.C. § 437g(a).

2. The Act required any entity that had either received contributions in excess of \$1,000 in a calendar year or made expenditures in excess of \$1,000 in a calendar year for the purpose of influencing a federal election to register with the Commission as a political committee and file periodic reports of its receipts and disbursements. 2 U.S.C. § 431(4), § 433, § 434. In particular, the Act required:

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- a. Each political committee to file a Statement of Organization within 10 days of becoming a political committee that contained the name and address of the treasurer, the custodian of the committee's records, and the location of its campaign depositories. 2 U.S.C. § 433(a), § 433(b).
 - b. All contributions to a political committee to be deposited in the committee's designated campaign depository and not commingled with the personal funds of any individual. 2 U.S.C. § 432(b)(3), § 432(h)(1).
 - c. The treasurer to file quarterly reports 15 days after each calendar quarter that included the total amount of contributions received during the reporting period and the name and address of each person who contributed more than \$200 in a calendar year and date and amount of such contributions. 2 U.S.C. § 434(a)(4), § 434(b)(3)(A).
 - d. The Commission to make the aforesaid information available to the public within 48 hours of receipt. 2 U.S.C. § 438(a)(4).

General Allegations

3. On or about June 10, 2003, defendant MARCUS T. BELK filed with the Commission a Statement of Organization for each of the following four entities: the "National Democratic Congressional Committee," the "National Democratic Senatorial Committee," the "National Democratic Political Committee," and the "Democratic Majority 2004." Each of these four documents identified the defendant as the committee's treasurer and custodian of records and the First Union Bank in Jersey City, New Jersey, as its campaign depository.

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4. On or about August 8, 2003, defendant MARCUS T. BELK filed a Statement of Candidacy with the Commission for his 2004 candidacy for the United States Senate from the State of South Carolina. From September 2003 to May 2004 the defendant filed false reports with the Commission indicating that he had received contributions aggregating over \$280,000 from unidentified contributors, although he had received only a small number of number of contributions totaling less than \$5,000 during his entire campaign.

5. On or about September 15, 2003, defendant MARCUS T. BELK filed termination reports with the Commission for the four committees referenced in paragraph 3.

6. On or about February 6, 2004, the Ford Motor Company Civic Action Fund mailed a contribution in the amount of \$15,000 to the National Democratic Congressional Committee (NDCC) that was sent to defendant MARCUS T. BELK as treasurer of the NDCC at the New Jersey address listed on the Statement of Organization that had been filed by the defendant.

7. On or about March 9, 2004, defendant MARCUS T. BELK opened two accounts with the Bank of America, located at 901 Savanna Highway, Charleston, South Carolina: (a) a business account titled "Marcus T. Belk DBA NDCC" (NDCC Account), in which the defendant deposited the \$15,000 check referred to in paragraph 6; and (b) a personal checking account titled "Marcus T. Belk" (Personal Account), in which the defendant deposited the sum of \$100.

8. From on or about April 4, 2004, to April 26, 2004, defendant MARCUS T. BELK transferred \$14,652 from the NDCC Account to the Personal Account, and used most of the transferred funds for personal purposes, including rent, furniture, and car expenses.

COUNT ONE
(2 U.S.C. § 434 and § 437g(d))

9. Paragraphs 1 to 3 and 5 to 8 are realleged as if fully set forth herein.

10. On or about March 15, 2004, in the District of Columbia and elsewhere, the defendant, MARCUS T. BELK, knowingly and willfully failed to file a report of receipts and disbursements with the Federal Election Commission that reflected the defendant's receipt of a contribution to the National Democratic Congressional Committee (NDCC) in the amount of \$15,000 on or about February 6, 2004, from the Ford Motor Company Civic Action Fund that was sent to the defendant as treasurer of the NDCC, as required by the Federal Election Campaign Act, such reporting violation involving an amount aggregating \$2,000 or more in a calendar year, in violation of Section 434 and Section 437g(d)(1)(A)(ii) of Title 2 of the United States Code.

Dated: January 4, 2008

WILLIAM M. WELCH II
Chief
Public Integrity Section

Nancy L. Simmons
NANCY L. SIMMONS
Trial Attorney
Public Integrity Section
Criminal Division
U.S. Department of Justice
1400 New York Avenue, NW
Washington, DC 20005

UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA.

v.

MARCUS T. BELK,

Defendant.

mag. No

08-015M

RECEIVED

JAN 14 2008

NANCY MAYER WHITTINGTON, CLERK
U.S. DISTRICT COURT

FACTUAL BASIS FOR PLEA

At all times material hereto:

1. The Federal Election Commission (the Commission) was an independent agency of the United States Government charged with the administration and civil enforcement of the Federal Election Campaign Act (the Act), and, in particular, its public disclosure features described below.

2. The Act required any entity that had either received contributions in excess of \$1,000 or made expenditures in excess of \$1,000 in a calendar year for the purpose of influencing a federal election to register with the Commission and file periodic report of its receipts and disbursements. In particular, the Act required that each political committee file a Statement of Organization within 10 days of becoming a political committee; that all contributions be deposited in the committee's designated campaign depository and not commingled with the personal funds of any individual; and that the treasurer file quarterly reports listing among other things total contributions and the identity of donors contributing more than \$200 in a calendar year. 2 U.S.C. § 433, § 434.

3. On or about June 10, 2003, defendant MARCUS T. BELK filed with the Commission a Statement of Organization for the "National Democratic Congressional Committee," the "National

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Democratic Senatorial Committee," the "National Democratic Political Committee," and the "Democratic Majority 2004," and identified himself as the treasurer of each committee.

4. On or about August 2003 defendant MARCUS T. BELK filed with the Commission a Statement of Candidacy for the United States Senate from South Carolina, and from September 2003 to May 2004 the defendant filed false reports with the Commission indicating that he had received contributions aggregating over \$280,000, although he had received contributions totaling less than \$5,000 during his entire campaign.

5. On or about September 15, 2003, defendant MARCUS T. BELK filed termination reports with the Commission for the four committees referenced in paragraph 3.

6. On or about October 1, 2003, the Commission sent the defendant MARCUS T. BELK a letter in connection with the defendant's termination reports for the four committees referenced in paragraph 3 advising the defendant that if the committee again became active in federal elections it would be required to re-register with the Commission and file periodic reports of its receipts and disbursements.

7. On or about February 6, 2004, the Ford Motor Company Civic Action Fund mailed a letter to the defendant MARCUS T. BELK enclosing a contribution of \$15,000 to the National Democratic Congressional Committee (NDCC) that was sent to the defendant in his capacity as treasurer of the NDCC at the address listed on the Statement of Organization that had been filed by the defendant.

8. On or about March 9, 2004, defendant MARCUS T. BELK opened two accounts with the Bank of America, 901 Savanna Highway, Charleston, South Carolina: (a) a business account titled "Marcus T. Belk DBA NDCC" (NDCC Account), in which the defendant deposited the

\$15,000 check referred to in paragraph 7; and (b) a personal checking account titled "Marcus T. Belk" (Personal Account), in which the defendant deposited the sum of \$100.

9. From on or about April 4, 2004, to April 26, 2004, defendant MARCUS T. BELK transferred \$14,652 from the NDCC Account to the Personal Account, and used most of the transferred funds for personal purposes, such as rent, furniture, and car expenses.

10. On or about March 15, 2004, the defendant MARCUS T. BELK knowingly and willfully failed to file a report of receipts and disbursements with the Federal Election Commission that reflected defendant's receipt of a \$15,000 contribution on or about February 6, 2004, to the National Democratic Congressional Committee (NDCC) from the Ford Motor Company Civic Action Fund that was sent to the defendant as treasurer of the NDCC.

Dated: January 4, 2008

WILLIAM M. WELCH II
Chief
Public Integrity Section

Nancy L. Simmons
NANCY L. SIMMONS
Trial Attorney
Public Integrity Section
Criminal Division
U.S. Department of Justice
1400 New York Avenue, NW
Washington, DC 20005

DEFENDANT'S ACCEPTANCE

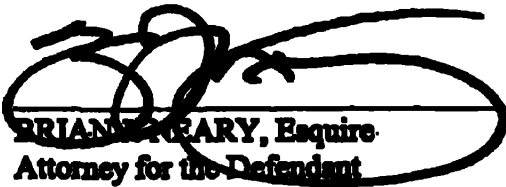
I hereby declare that the foregoing Factual Basis for Plea is true and correct.

Date: 12-17-2007


MARCUS T. BELK
Defendant

ATTORNEY'S ACKNOWLEDGMENT

Date: 12/17/07


BRIAN KEARNEY, Esquire
Attorney for the Defendant

29044203871

UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA.

v.

MARCUS T. BELK,

Defendant.

mag. No. 08-015M

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JAN 14 2008

NANCY MAYER WASHINGTON, CLERK
U.S. DISTRICT COURT

PLEA AGREEMENT

The United States of America and MARCUS T. BELK (hereinafter referred to as the "defendant") enter into the following agreement:

Charges and Statutory Penalties

1. The defendant agrees to plead guilty to Count One, Failure to Report Contribution, in violation of Title 2, United States Code, Sections 434 and 437g(d)(1), of the Information.
2. The defendant understands that Count One has the following essential elements, each of which the United States would be required to prove beyond a reasonable doubt at trial:
 - a. First, the receipt by the defendant of a contribution in an amount exceeding \$2,000 in a calendar year;
 - b. Second, the failure of the defendant to report this contribution to the Federal Election Commission;
 - c. Third, the defendant's conduct was knowing and willful.
3. The defendant understands that pursuant to 2 U.S.C. § 437g(d)(1)(A)(ii), Count One carries a maximum sentence of one year of imprisonment, a \$100,000 fine, a \$25 special assessment,

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a one-year term of supervised release, and an obligation to pay any applicable interest or penalties on fines or restitution not timely made.

Factual Stipulations

4. The defendant agrees that the attached "Factual Basis for Plea" fairly and accurately describes the defendant's actions and involvement in the offense to which the defendant is pleading guilty. The defendant knowingly, voluntarily, and truthfully admits the facts set forth in the Factual Basis for Plea.

Sentencing

5. The defendant is aware that the sentence will be imposed by the Court after considering the Federal Sentencing Guidelines and Policy Statements (hereinafter "Sentencing Guidelines"). The defendant acknowledges and understands that the court will compute an advisory sentence under the Sentencing Guidelines and that the applicable guidelines will be determined by the Court relying in part on the results of a Pre-Sentence Investigation by the Court's Probation Office, which investigation will commence after the guilty plea has been entered. The defendant is also aware that, under certain circumstances, the Court may depart from the advisory sentencing guideline range that it has computed, and may raise that advisory sentence up to and including the statutory maximum sentence or lower that advisory sentence. The defendant is further aware and understands that the Court is required to consider the advisory guideline range determined under the Sentencing Guidelines, but is not bound to impose that sentence; the Court is permitted to tailor the ultimate sentence in light of other statutory concerns, and such sentence may be either more severe or less severe than the Sentencing Guidelines' advisory sentence. Knowing these facts, the defendant understands and acknowledges that the Court has the authority to impose any sentence

within and up to the statutory maximum authorized by law for the offense identified in paragraph 1 and that the defendant may not withdraw the plea solely as a result of the sentence imposed.

6. The Public Integrity Section, Criminal Division, United States Department of Justice (hereinafter "Public Integrity"), reserves the right to inform the Court and the Probation Office of all facts pertinent to the sentencing process, including all relevant information concerning the offenses committed, whether charged or not, as well as concerning the defendant and the defendant's background. Subject only to the express terms of any agreed-upon sentencing recommendations contained in this agreement, Public Integrity further reserves the right to make any recommendation as to the quality and quantity of punishment.

7. The defendant is aware that any estimate of the probable sentence or the probable sentencing range relating to the defendant pursuant to the advisory Sentencing Guidelines that the defendant may have received from any source is only a prediction and not a promise, and is not binding on the United States, the Probation Office, or the Court, except as expressly provided in this plea agreement.

Sentencing Guidelines Stipulations

8. The defendant understands that the sentence in this case will be determined by the Court, pursuant to the factors set forth in 18 U.S.C. § 3553(a), including a consideration of the guidelines and policies promulgated by the United States Sentencing Commission, Guidelines Manual 2003 (hereinafter "Sentencing Guidelines" or "U.S.S.G."). Pursuant to Federal Rule of Criminal Procedure 11(c)(1)(B), and to assist the Court in determining the appropriate sentence, the parties stipulate to the following:

a. Offense Level under the Guidelines:

- i. The parties agree that the offense of Failure to Report Contribution, 2 U.S.C. § 434 and § 437g(d), is governed by § 2C1.8 of the November 2003 Edition of the advisory Sentencing Guidelines.
- ii. The parties further agree that the following Sentencing Guideline factors, computation, and analysis apply to the defendant in this case, resulting in an advisory Combined Adjusted Offense Level of 12:

Base Offense Level	8	§ 2C1.8
Amount of Illegal Transaction	+4	§ 2B1.1(b)(1)(C)
<hr/>		
Combined Adjusted Offense Level		12

b. Acceptance of Responsibility

Provided that the defendant clearly demonstrates acceptance of responsibility, to the satisfaction of Public Integrity, through the defendant's allocution and subsequent conduct prior to the imposition of sentence, Public Integrity agrees that a 2-level reduction would be appropriate, pursuant to U.S.S.G. § 3B1.1(a).

Public Integrity, however, may oppose any adjustment for acceptance of responsibility if the defendant:

- i. fails to admit a complete factual basis for the plea at the time the defendant is sentenced or at any other time;
- ii. challenges the adequacy or sufficiency of the United States' offer of proof at any time after the plea is entered;
- iii. denies involvement in the offense;

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- iv. gives conflicting statements about that involvement or is untruthful with the Court, the United States, or the Probation Office;
 - v. fails to give complete and accurate information about the defendant's financial status to the Probation Office;
 - vi. obstructs or attempts to obstruct justice, prior to sentencing;
 - vii. has engaged in conduct prior to signing this Plea Agreement which reasonably could be viewed as obstruction or an attempt to obstruct justice, and has failed to fully disclose such conduct to the United States prior to signing this Plea Agreement;
 - viii. fails to appear in court as required;
 - ix. after signing this Plea Agreement, engages in additional criminal conduct; or
 - x. attempts to withdraw the plea of guilty.

In accordance with the above, the defendant's applicable Sentencing Guidelines Offense Level is 10.

c. Criminal History Category

Based upon the information now available to Public Integrity (including representations by the defense), the parties agree to recommend that the defendant's Criminal History Category is I.

d. Applicable Guideline Range

Based upon the calculations set forth above, the defendant's stipulated Sentencing Guidelines range is 6 to 10 months (the "Stipulated Guidelines Range"). In addition, the parties agree should the Court impose a fine, at Guidelines level 10, the applicable fine range is \$2,000 to \$20,000.

e. Downward or Upward Departure Unwarranted

The parties agree that under the Sentencing Guidelines neither a downward nor an upward departure from the Stipulated Guidelines Range set forth above is warranted. Accordingly, neither party will seek such a departure or seek any adjustment not set forth herein. Nor will either party suggest that the Court consider such a departure or adjustment.

Agreement as to Sentencing Allocation

9. The parties further agree that a sentence within the Stipulated Guidelines Range would constitute a reasonable sentence in light of all of the factors set forth in Title 18, United States Code, Section 3553(a). In addition, although not binding on the Probation Office or the Court, neither party will seek a sentence outside of the Stipulated Guidelines Range or suggest that the Court consider a sentence outside of the Stipulated Guidelines Range. Nothing in this Agreement limits the right of the parties to make any arguments regarding where within the Stipulated Guidelines Range (or such other range as the Court may determine) the defendant should be sentenced or to seek an appropriately adjusted sentencing range if it is determined based upon new information that the defendant's criminal history category is different from that set forth above.

Court Not Bound by the Plea Agreement

10. It is understood that pursuant to Federal Rules of Criminal Procedure 11(c)(1)(B) and 11(c)(3)(B) the Court is not bound by the above stipulations, either as to questions of fact or as to the parties' determination of the applicable Guidelines range, or other sentencing issues. In the event that the Court considers any Guidelines adjustments, departures, or calculations different from any stipulations contained in this Agreement, or contemplates a sentence outside the Guidelines range

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based upon the general sentencing factors listed in Title 18, United States Code, Section 3553(a), the parties reserve the right to answer any related inquiries from the Court.

Appeal Waiver

11. The defendant is aware that the defendant has the right to challenge the defendant's sentence and guilty plea on direct appeal. The defendant is also aware that the defendant may, in some circumstances, be able to argue that his guilty plea should be set aside, or sentence set aside or reduced, in a collateral challenge (such as pursuant to a motion under 28 U.S.C. § 2255). Knowing that, and in consideration of the concessions made by Public Integrity in this Agreement, the defendant knowingly and voluntarily waives his right to appeal or collaterally challenge: (a) the defendant's guilty plea and any other aspect of the defendant's conviction; and (b) the defendant's sentence or the manner in which his sentence was determined pursuant to 18 U.S.C. § 3742, except to the extent that the Court sentences the defendant to a period of imprisonment longer than the statutory maximum, or the Court departs upward from the applicable Sentencing Guideline range pursuant to the provisions of U.S.S.G. § 5K.2 or based on a consideration of the sentencing factors set forth in 18 U.S.C. § 3553(a).

12. The defendant further understands that nothing in this Agreement shall affect Public Integrity's right and/or duty to appeal as set forth in Title 18, United States Code, Section 3742(b). However, if Public Integrity appeals the defendant's sentence pursuant to Section 3742(b), the defendant shall be released from the above waiver of appellate rights. By signing this Agreement, the defendant acknowledges that the defendant has discussed the appeal waiver set forth in this agreement with the defendant's attorney. The defendant further agrees, together with Public

Integrity, to request that the Court enter a specific finding that the waiver of the defendant's right to appeal the sentence to be imposed in this case was knowing and voluntary. _____

13. The defendant's waiver of rights to appeal and to bring collateral challenges shall not apply to appeals or challenges based on new legal principles in D.C. Circuit Court of Appeals or Supreme Court cases decided after the date of this Agreement that are held by the D.C. Circuit or Supreme Court to have retroactive effect..

Release/Detention

14. The defendant acknowledges that while Public Integrity will not seek a change in the defendant's release conditions pending sentencing, the final decision regarding the defendant's bond status or detention will be made by the Court at the time of the defendant's plea of guilty. Should the defendant engage in further criminal conduct or violate any conditions of release prior to sentencing, however, Public Integrity may move to change the defendant's conditions of release or move to revoke the defendant's release.

Accounting of Assets

15. The defendant agrees to provide a full and complete accounting of all assets, real or tangible, held by the defendant or for the defendant's benefit.

Breach of Agreement

16. The defendant understands and agrees that if, after entering this Plea Agreement, the defendant fails specifically to perform or to fulfill completely each and every one of the defendant's obligations under this Plea Agreement, or engages in any criminal activity prior to sentencing, the defendant will have breached this Plea Agreement. In the event of such a breach: (a) Public Integrity will be free from its obligations under the Agreement; (b) the defendant will not have the

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right to withdraw the guilty plea; (c) the defendant shall be fully subject to criminal prosecution for any other crimes, including perjury and obstruction of justice; and (d) Public Integrity will be free to use against the defendant, directly and indirectly, in any criminal or civil proceeding, all statements made by the defendant and any of the information or materials provided by the defendant, including such statements, information and materials provided pursuant to this Agreement or during the course of any debriefings conducted in anticipation of, or after entry of this Agreement, including the defendant's statements made during proceedings before the Court pursuant to Federal Rule of Criminal Procedure 11.

17. The defendant understands that Federal Rule of Criminal Procedure 11(f) and Federal Rule of Evidence 410 ordinarily limit the admissibility of statements made by a defendant in the course of plea discussions or plea proceedings if a guilty plea is later withdrawn. The defendant knowingly and voluntarily waives the rights which arise under these Rules.

18. The defendant understands and agrees that Public Integrity shall only be required to prove a breach of this Agreement by a preponderance of the evidence. The defendant further understands and agrees that Public Integrity need only prove a violation of federal, state, or local criminal law by probable cause in order to establish a breach of this Agreement.

19. Nothing in this Agreement shall be construed to permit the defendant to commit perjury, to make false statements or declarations, to obstruct justice, or to protect the defendant from prosecution for any crimes not included within this Agreement or committed by the defendant after the execution of this Agreement. The defendant understands and agrees that Public Integrity reserves the right to prosecute the defendant for any such offenses. The defendant further understands that any perjury, false statements or declarations, or obstruction of justice relating to the defendant's

obligations under this Agreement shall constitute a breach of this Agreement. However, in the event of such a breach, the defendant will not be allowed to withdraw this guilty plea.

Waiver of Statute of Limitations

20. It is further agreed that should any conviction following the defendant's plea of guilty pursuant to this Agreement be vacated for any reason, then any prosecution that is not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced or reinstated against the defendant, notwithstanding the expiration of the statute of limitations between the signing of this Agreement and the commencement or reinstatement of such prosecution. Specifically, the defendant agrees to waive all defenses based on the statute of limitations with respect to any prosecution that is not time-barred on the date that this Agreement is signed.

Complete Agreement

21. No other agreements, promises, understandings, or representations have been made by the parties or their counsel than those contained in writing herein, nor will any such agreements, promises, understandings, or representations be made unless committed to writing and signed by the defendant, defense counsel, and a prosecutor for Public Integrity.


22. The defendant further understands that this Agreement is binding only upon the Public Integrity Section, Criminal Division, United States Department of Justice. This Agreement does not bind the Civil Division or any other United States Attorney's Office, nor does it bind any other state, local, or federal prosecutor. It also does not bar or compromise any civil, tax, or administrative claim pending or that may be made against the defendant, including any claim by the Federal Election Commission.

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23. If the foregoing terms and conditions are satisfactory, the defendant may so indicate by signing the Agreement in the space indicated below and returning the original to me once it has been signed by the defendant and by you or other defense counsel.

FOR THE UNITED STATES

WILLIAM M. WELCH II
Chief
Public Integrity Section

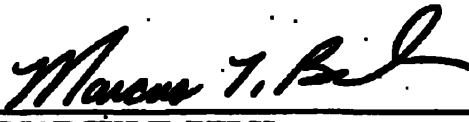

NANCY L. SIMMONS
Trial Attorney
Public Integrity Section
1400 New York Ave. NW
Washington, DC 20005
(202) 514-1412

DEFENDANT'S ACCEPTANCE

I have read this letter in its entirety and discussed it with my attorney. I hereby acknowledge that it fully sets forth my agreement with Public Integrity. I further state that no additional promises or representations have been made to me by any official of the United States in connection with this matter. I understand the crimes to which I have agreed to plead guilty, the maximum penalties for those offenses and Sentencing Guideline penalties potentially applicable to them. I am satisfied with the legal representation provided to me by my attorney. We have had sufficient time to meet and discuss my case. We have discussed the charges against me, possible defenses I might have, the terms of this Plea Agreement and whether I should go to trial. I am entering into this Agreement

freely, voluntarily, and knowingly because I am guilty of the offenses to which I am pleading guilty, and I believe this Agreement is in my best interest.


Date: 12-17-2007


MARCUS T. BELK
Defendant

ATTORNEY'S ACKNOWLEDGMENT

I have read each of the pages constituting this Plea Agreement, reviewed them with my client, and discussed the provisions of the Agreement with my client, fully. These pages accurately and completely sets forth the entire Plea Agreement. I concur in my client's desire to plead guilty as set forth in this Agreement.

Date: 12/18/07


BRIAN J. NEARY, Esquire
Attorney for the Defendant

**UNITED STATES DISTRICT COURT FOR THE
DISTRICT OF COLUMBIA**

UNITED STATES OF AMERICA,

v.

Marcus T. Belk

Defendant

Grimm No. 07

Mag. No. 08-015M

1. Defendant acknowledges that the Federal Election Commission (FEC) has civil jurisdiction over the violations of the Federal Election Campaign Act of 1971, as amended (FECA), that are the subject matter of these proceedings. Defendant further acknowledges that the FEC has the authority to seek civil remedies against him for these violations pursuant to 2 U.S.C. § 437g(a)(5).

2. Defendant admits that he knowingly and willfully violated 2 U.S.C. §§ 433 and 434 by operating the National Democratic Congressional Committee ("NDCC") as a political committee without registering and reporting with the FEC.

3. Defendant admits that the FEC could prove by a preponderance of the evidence that he knowingly and willfully violated (a) 2 U.S.C. § 441a(a)(1)(C) by accepting an excessive contribution made to the NDCC in the amount of \$15,000; (b) 2 U.S.C. § 432(b)(3) by commingling funds contributed to the NDCC with his personal funds; and (c) 2 U.S.C. § 441h(a) by using the NDCC to fraudulently misrepresent himself as acting for or on behalf of a political party on a matter that was damaging to the political party because it resulted in misdirection of a \$15,000 contribution.

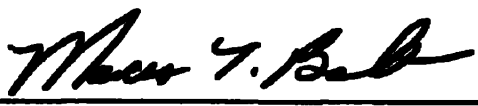
[illegible]

4. Defendant admits that the FEC could prove by a preponderance of the evidence that he knowingly and willfully violated 2 U.S.C. § 432(c) and 11 C.F.R. § 102.9(a) by failing to accurately account for and report contributions made to his authorized committee, Belk 2004 US Senate.

5. Defendant agrees to cease and desist from violating 2 U.S.C. §§ 432(b)(3), 432(c), 433, 434, 441a(a)(1)(C), and 441h(a) and 11 C.F.R. § 102.9(a).

6. Pursuant to 2 U.S.C. § 437g(a)(5)(B), the FEC may seek a civil penalty for knowing and willful violations of 2 U.S.C. §§ 432(b)(3), 432(c), 433, 434, 441a(a)(1)(C), and 441h(a) and 11 C.F.R. § 102.9(a), of up to 200 percent of any contribution or expenditure involved in such violation. In light of the financial circumstances of the Defendant and his entering into the terms of the Plea Agreement, including paragraphs 8(d) and 15, the FEC seeks no civil penalty. However, Defendant is prohibited from working or volunteering in federal political campaigns in a capacity involving a committee's finances or disclosure reports for a period of 10 years from the date of the Plea Agreement.

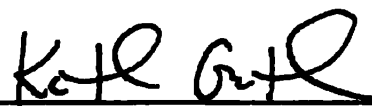
FOR THE DEFENDANT



Marcus T. Belk

FOR THE FEDERAL ELECTION
COMMISSION

THOMASENIA P. DUNCAN
General Counsel

By: 
Acting ~~ANN-MARIE TERZAKEN~~ Kathleen Orth
Associate General Counsel
for Enforcement
Federal Election Commission